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PROGRAM

CBS Evening News

STATION

WDVM-TV

CBS Network

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July 15, 1981

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CITY

Washington, DC

SUBJECT

Senator Goldwater Calls for William Casey's Ouster

DAN RATHER: President Reagan says he wants William Casey to remain as CIA Director in spite of newly disclosed information that a federal judge ruled Casey knowingly misled investors in a financial deal more than a decade ago.

But on Capitol Hill, as Robert Schakne reports, there is some feeling that Casey must go.

ROBERT SCHAKNE: Chairman Barry Goldwater of the Senate Intelligence Committee has been telling fellow senators today that William Casey will have to go as Director of the CIA. Goldwater, who will not discuss the matter with reporters, is described as being very angry at the way Casey has been running the CIA since January, and in particular at Casey's appointment of Max Hugel as Chief of the Clandestine Service.

Other senators, speaking privately, say that with Gold-water's opposition, Casey's job is in grave jeopardy. One senator says there is a consensus that under Casey's directorship the CIA had become too politicized, that career professionals had been passed over in favor of political appointees, and that the Hugel selection was a reflection of Casey's bad judgment.

Both President Reagan and Vice President Bush said that the CIA Director still had their confidence.

PRESIDENT RONALD REAGAN: There's no controversy. I have complete trust in him.

REPORTER: [Inaudible]

PRESIDENT REAGAN: Oh, no.